

Congress of the United States
House of Representatives
Washington, DC 20515-0606

December 20, 2017

The Honorable David J. Shulkin
Secretary of Veterans Affairs
U.S. Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

Dear Secretary Shulkin,

I was astounded to learn that Ms. Stella Fiotes was selected to serve as the Acting Chief Acquisition Officer (CAO) and Acting Principal Executive Director of the Office of Acquisition, Logistics, and Construction (OALC)—the top Department of Veterans Affairs (VA) contracting official. Ms. Fiotes was elevated from her earlier position as Executive Director of the Office of Construction and Facilities Management—the top VA construction official—which she apparently continues to occupy simultaneously.

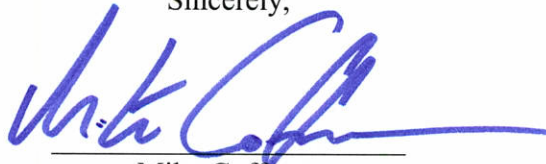
As you know, since 2013 Ms. Fiotes was responsible for overseeing the egregiously mismanaged construction project of the Rocky Mountain Regional VA Medical Center in Aurora, Colorado, which is finally nearing completion after ballooning in cost by over a billion dollars and being delayed by over four years. Worse, Ms. Fiotes testified to the Committee on Veterans' Affairs in March 2014 that the medical center's design could be built within its appropriated amount, then \$800 million, which all available evidence indicates was untrue. In response, nearly every Member of the Committee, on both sides of the aisle, called on the Department of Justice (DOJ) to investigate whether Ms. Fiotes or Mr. Glenn Haggstrom, the Acting Principal Executive Director of OALC at the time, committed perjury, misled, or withheld information from Congress. Though the DOJ eventually declined prosecution, Ms. Fiotes was by no means absolved of responsibility. An exhaustive report by the Inspector General, issued before the DOJ's decision was conveyed to the Committee, detailed senior VA officials', including Ms. Fiotes', repeated missteps, reckless behavior, and poor decisionmaking. Whereas Mr. Haggstrom retired a day after the VA interviewed him under oath, apparently to head off imminent firing, and lower level officials retired or quit, Ms. Fiotes has in fact been promoted.

Allowing Ms. Fiotes to occupy the Principal Executive Director position is troubling both for the corrosive message it sends—that poor performance is rewarded—and because she seems unqualified to perform the job. OALC directs all procurement, logistics, and construction activities for the VA. It has a challenging and diverse portfolio of functions for any executive. A background in architecture, construction, and facilities management covers only a small portion of the responsibilities. While that point may be subjective, it is clearly improper that Ms. Fiotes is designated as the Chief Acquisition Officer. The Government Accountability Office (GAO) recently observed that statute requires a non-career employee to serve as CAO (as opposed to a career senior executive like Ms. Fiotes) and recommended that the VA comply with the law.

Perhaps for the reasons I have detailed, Ms. Fiotes' promotion seems to have happened, very quietly, several months ago when the former incumbent Mr. Gregory Giddens was reassigned. Indeed, Mr. Giddens has just retired, and the Department still seems to be avoiding public acknowledgements that Ms. Fiotes occupies the Acting Principal Executive Director and Acting CAO positions. For example, she has never to date been listed as serving in those roles on the Executive Biographies section of the VA's website. Mr. Giddens' name and photograph remained even after his reassignment. Now, no name or photograph appears, and the VA seal has been placed there. Ms. Fiotes' current role is only acknowledged in the leadership section of OALC's website, a more obscure location. Furthermore, Ms. Fiotes has never testified to the Committee since occupying her present position, including at a legislative hearing exclusively on contracting legislation and an oversight hearing concerning the Medical Surgical Prime Vendor (MSPV) contracting program, about which Mr. Giddens testified last year. This hearing was one of many oversight hearings on the same troubles plaguing the MSPV program, which GAO has reported on numerous occasions. The failures of the MSPV program have yet to be fixed and Ms. Fiotes clearly does not have the background or capabilities to fix these problems.

I urge you to appoint a permanent Principal Executive Director of the Office of Acquisition, Logistics, and Construction who is well qualified and untainted by scandal as quickly as possible. I also urge you to designate someone else to be Chief Acquisition Officer, in compliance with the law, immediately. I know you are well aware of the VA's continued challenges in the realm of contract management. Rather than contributing to improvements and reform, allowing Ms. Fiotes to occupy these positions undermines progress and sends precisely the wrong message.

Sincerely,



Mike Coffman
Member of Congress